



FINANCE & FACILITIES MEETING MINUTES

Wednesday, December 6, 2017 at 8:30 a.m.

Committee Members: Ray Egbert, Chair
Laura Simon, Anna Shinn, Chris Allen

Administrative Staff: Dr. William DeFabiis, Interim Superintendent
Jason Bohm, SBA/Board Secretary
Don Race, Facilities Manager

1. **Audit Results**

William Colantano, CPA of BKC CPA's presented a summary of the Comprehensive Annual Financial Report. Overall, the District's financial condition is in good shape. Revenues and Expenditures were relatively comparable to the prior year with a few exceptions that were explainable. There were no major discrepancies between the approved Board budget and actual expenditures. The auditor commended the Board and Business Administrator on maintaining adequate Capital Reserves and managing those reserves against necessary Capital improvements. There was one finding concerning a school's student activity fund related to the lack of supporting documentation and timely deposits. This issue is in the process of being corrected through a corrective action plan.

2. **Bathroom project**

The nurse's office bathroom door is the only remaining item to be completed.

3. **RMS Media Center Project**

The project is satisfactorily completed.

4. **Solar Project**

Most of the panel construction work is completed. The panels now need to be connected to the electrical panels for all schools. The RMS trenching started today and is expected to be completed by Monday. There should be minimal effect on parking and parent drop-off. Monitors also need installed in all schools. Plantings are completed, however the Committee expressed plant size was smaller than anticipated. The plantings are to be revisited in the spring once the project is all completed to determine what additional plantings are needed.

Mr. Bohm is to meet with Gable, Ameresco, and EZ Energy to discuss the PPA. There is a significant decrease in the overall kilowatts guarantee.

Jodi Betterman has received the curriculum to implemented throughout the District. The plan is to work with Ameresco to work the curriculum into the education process. Jodi Betterman and Andrea Aronow, are to be trained on monitoring to determine output and costs. A Ribbon-Cutting ceremony is to be planned for the spring.

5. Integrated Pest Management (IPM) State Inspection

State representatives will visit on February 8th. They will review policies and records and perform inspections of buildings. They will also perform interviews with Don Race and building Principals. These inspections are random, and Mr. Race is expecting no findings.

6. Utility Accounts

The ACES program which the District utilizes for its utilities has dropped the RMS and HBS accounts due to the implementation of the solar project. This will be effective December 31, 2018. Mr. Bohm is in the process of obtaining quotes for a one-year contract and then long-term contracts. A long-range plan will need to be formulated for energy needs beginning January 2019. The Committee discussed that moving away from the ACES program had been a discussion point in the beginning stages of the solar project.

7. Security and Safety

The Committee discussed school safety protocols at a high level. A firm will provide a presentation to the Committee in January to strengthen the school's safety communication protocols.

8. Long-Term Substitutes and Health Plan waivers

The Committee discussed health plan waivers as it relates to long-term substitutes. There are usually three to four long-term substitutes in the District in any given year. Most of these substitutes work over thirty hours per week and thus qualify for health care benefits. The Committee's recommendation is to not offer health plan waivers and offer PPO 20 to long-term substitutes.

9. District Transportation

Mr. Bohm provided a summary of the District's bus transportation costs, bus driver recruitment considerations, and bus driver retention considerations. These issues will be discussed more in detail during the 2018-19 budget process.

10. Finance agenda items

The Finance agenda are standard approvals except for the items listed below.

- Solar PPA agreement 2nd addendum for consideration as attorney and consultant reviewed and recommended as final. Major changes are: 1). decreases in kWh size in-line with previous communication to board in executive session by Gabel (excluding RMS which experienced a minor additional decline of 4.5 kWh primarily due to spacing/weight restrictions unanticipated during actual construction), and 2). reductions of guaranteed output overall by 2% despite reduction in kWh size by 4% (note: kWh size reduction was discussed in early Fall in executive session with Gabel/DeCotis/Stephen Fogarty after 1st Amendment became effective on May 26, 2017)
- Shared Services Agreement with the Township concerning an increase in the hourly rate of \$23.50 from \$20.40. The Committee recommends approval.
- Correction action plan as previously discussed in these minutes. The Committee recommends approval.
- Expenditure of IDEA and ESEA carryover funds as previously in prior minutes. The Committee recommends approval.
- Approval of a Township project related to the RMS water detention basin near the bus parking lot. No recommendation from the Committee as there will be a presentation from a representative of the Readington Township's Environmental Commission at the December 12th Board meeting.

11. Next meeting planned for January 5, 2018 at 8:30 a.m